Capacity and Utilisation of Oil. Refineries

2725. SHRI S.M. KRISHNA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) what factors are taken into consideration by his Ministry while deciding to set-up oil refinery in 1he country;

(b) the details of capacity utilisation of Oil refineries, refinery-wise and the production as on date;

(c) whether national Oil Companies have demanded duty free capital goods import for oil refineries; if so the reasons for such demand; and

(d) the details of customs/excise duty annually paid by Oil companies during last two years till date?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) Major factors taken for consideration while deciding to set up a refinery are demand/ supply, balance of petroleum products, crude on sourcing investors/promotefs views, infrastructure technology, investment and funding of projects, economic viability, competitiveness etc.

(b) the capacity utilisation of refineries company-wise during 1998-99 (provisional) is given below:—

Name of the refineries	% Capacity Utilisation
IOC	105.2
HPCL	90.8
BPCL	147.7
MRL	96.4
CRL	103.7
BRPL	70.4
MRPL	135.6
GRAND TOTAL	105.9

The production of products from re-finettes during 1998-99 (Provisional; is 64.496 MMT.

(c) Government has extended concessions on import of capital goods for grassfoot refinery projects. Oil companies have been seeking similar concessions for refinery expansion proposals also.

(d) the details of custom/Excise duty paid during last two years 1996-97 and 1997-98 company-wise is given below:—

(Rs. Crores)

Name of refinery	1996-97	1997-98
IOC	9548	9849
BPCL	2189	2075
HPCL	3644	3287
CRL	975	1028
MRL	1439	1514
BRPL	110	104

Restructuring of Petroleum Sector

2726. SHRl RAJUBHAI A. PARMAR: Will the Minister PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether a high powered Committee on restructuring of petroleum sector has recommended the merger of oil refineries;

(b) if so, the details thereof; and

(c) the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) The Government had appointed an Expert Committee in October '98 to:

(i) To study and analyse the emerging scenario in the Petroleum Sector in India after the year 2001, with specific reference to development and creation of market competitiveness and the viability of stand-alone refineries and marketing company, IBP_ Co. Ltd., in the context of status and